

WEBSITE: www.state.az.us/id

The Arizona Department of Insurance web site contains many of the publications offered by the department, answers to questions most frequently asked by consumers, and an other helpful insurance-related information. It also contains useful information for insurance companies and producers, and offers links to other state agency web sites.

TELEPHONE NUMBERS

Consumer Assistance and Publications:

- Phoenix: (602) 912-8444
- In-state and Outside Phoenix:
(1-800) 325-2548;
- Tucson: (520) 628-6370
- Market Assistance for Liability Insurance:
(602) 912-8450 or (1-800) 544-9208

Fraud Unit: (602) 912-8418

Licensing:

- Phoenix area: (602) 912-8470
- Toll-free for callers in Arizona but outside the Phoenix area:
(1-877) 660-0964

Arizona Department of Insurance
2910 N. 44th Street, Suite 210
Phoenix, Arizona 85018

Arizona Department of Insurance
400 W. Congress, Suite 152
Tucson, Arizona 85701

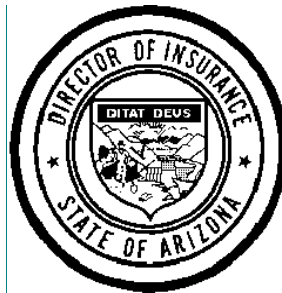
Persons with disabilities may request that materials be presented in an alternative format by contacting the ADA Coordinator at (602) 912-8456. Requests should be made as early as possible to allow time to procure the materials in an alternative format.

Arizona Department of Insurance

State of Arizona

A CONSUMER'S GUIDE TO

THE ARIZONA DEPARTMENT OF INSURANCE



Charles R. Cohen
Director of Insurance

**Questions or complaints
from the public and requests
for publications should
be made to the
Consumer Affairs Division
(602) 912-8444 or
(1-800) 325-2548 or
in Tucson at
(520) 628-6370**

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An EEO/Affirmative Action Agency

MISSION STATEMENT

***To faithfully execute
the state insurance
laws in a manner that
protects insurance
consumers and
encourages economic
development.***

Arizona Department of Insurance

CONSUMER AFFAIRS

The Consumer Affairs Division provides a full range of services and information to the insurance consuming public. It is comprised of Consumer Services, Health Care Appeals, Investigations and Market Conduct.

The Consumer Services Section helps consumers with insurance problems on the phone, in person or by mail.

The Health Care Appeals Section monitors health care insurers compliance with claims appeals requirements and administers the external appeals portion of the process.

The Investigations Section investigates complaints against insurance companies, agents and other entities licensed by the Department.

The Market Conduct Section examines insurance companies' practices regarding marketing, rating, cancellations, privacy and claims handling, focusing on unfair trade and claim-settlement practices.

The Division operates a Market Assistance Program that helps consumers and businesses obtain liability insurance.

Arizona Department of Insurance

FRAUD UNIT

The Fraud Unit investigates complaints of attempted fraud by individuals against insurance companies, and refers them to the Attorney General for prosecution.

Fraud inflates the cost of insurance for all consumers. The most common types of insurance fraud involve false or inflated claims, misrepresentations when applying for insurance to obtain coverage and lower rates, and billings from professionals seeking reimbursement for services that were not performed.

Insurance fraud is a class 6 felony, and committing a fraudulent scheme is a class 2 felony. Penalties range from 1 1/2 years to 10 years in prison, plus restitution and fines.

LICENSING

The Licensing Section issues and renews licenses for qualified producers, bail bond agents, adjusters, surplus lines brokers and other insurance professionals.

Approximately 70,000 individuals and firms are licensed in Arizona. Licenses are issued for a two-year term.

Detailed information, licensing forms and instructions are available from the Insurance Department web site at www.state.az.us/id and by calling the Insurance Licensing Hotline: (602) 912-8470 or (1-877) 660-0964.

LIFE AND HEALTH

The Life and Health Division administers Arizona laws pertaining to life and health insurance plans and policies, as well as licensure of utilization review agents and third party administrators. The Division reviews life and health insurance policies to make sure they comply with state law.

This Division has responsibility for oversight of health care service delivery by HMOs and prepaid dental plans. The Division also administers the health care provider timely pay and grievance law.

FINANCIAL AFFAIRS

The Financial Affairs Division monitors insurance companies for solvency and soundness. The Division reviews quarterly and annual financial statements and periodically conducts detailed financial examinations of domestic insurance companies.

The Division issues certificates of authority to qualified insurance companies, granting them authority to transact insurance in Arizona.

The Division is also responsible for collecting premium taxes and annual fees, and for maintaining insurer trust deposits held for the benefit and protection of policyholders.

RATES AND REGULATIONS

The Rates and Regulations Division administers Arizona laws related to property and casualty insurance rates and policy forms. For example, it reviews auto and homeowner policies to assure they comply with the law and are readable and understandable. The Division also licenses rating organizations, qualifies surplus lines insurers, issues service company permits, registers foreign risk retention groups and purchasing groups and monitors the property and casualty marketplace to determine whether competition exists and whether insurance is available.

RECEIVERSHIP DIVISION

The Receivership Division supervises and coordinates receiverships of insolvent insurers.

GUARANTY FUNDS

The Arizona Insurance Guaranty Funds provide a safety net to protect consumers from financial loss if an insurance company becomes insolvent. Subject to statutory limits and other conditions, the Life and Disability Insurance Guaranty Fund and the Property and Casualty Insurance Guaranty Fund pay certain claims of policyholders and other claimants owed by an insolvent insurance company.

Assessments against licensed insurers and monies recovered from the estates of insolvent insurance companies are used to pay claims.

TUCSON OFFICE

The Tucson Office provides a range of services to residents of southern Arizona and offers a direct link to Insurance Department offices in Phoenix. The staff responds to consumer complaints and questions, distributes consumer publications, and provides licensing services.

PUBLICATIONS

Free consumer publications are available to the public. Asterisks (*) indicate the publication is available in Spanish.

- A Guide to Health Care Appeals*
- How to Resolve Insurance Complaints*
- Automobile Premium Comparison Survey, for 12 hypothetical risks*
- Homeowners' Premium Comparison Survey, for like homes in Phoenix, Glendale, Mesa, Flagstaff and Tucson*
- Mobile Homeowners' Premium Comparison Survey, for the similar risk in Mesa, Tucson and Yuma
- Personal Lines Complaint Ratios for homeowners and auto insurance*
- Managed Care Complaint Ratios
- Consumer Guide to Homeowners' Insurance*
- Consumer Guide to Automobile Insurance*
- Fighting Insurance Fraud in Arizona
- Shoppers Guide to Long-term Care
- Guide to Health Insurance for People with Medicare
- List of Medicare Supplement Plans
- Medicare Supplement Insurance Premium Comparison
- Protecting Your Health Insurance Coverage
- And others...